

JVS SoCal

Financial Statements
and Single Audit Reports and Schedules

December 31, 2024
(With Comparative Totals for 2023)



TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	1 - 3
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 21
Single Audit Reports and Schedules	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	23 - 24
Independent Auditor's Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance	25 - 27
Schedule of Expenditures of Federal Awards	28 - 32
Notes to Schedule of Expenditures of Federal Awards	33 - 34
Schedule of Findings and Questioned Costs	35 - 37
Summary Schedule of Prior Audit Findings	38 - 39



INDEPENDENT AUDITOR'S REPORT

Board of Directors
JVS SoCal

Opinion

We have audited the accompanying financial statements of JVS SoCal ("JVS"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JVS SoCal as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JVS SoCal and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JVS SoCal's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JVS SoCal's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about JVS SoCal's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2025, on our consideration of JVS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JVS's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JVS's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited JVS SoCal's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 30, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Los Angeles, California

September 27, 2025

JVS SoCal
Statement of Financial Position
December 31, 2024
(With Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 3,563,397	\$ 2,331,187
Investments	21,332,808	18,625,533
Due from government agencies, net	3,363,716	4,903,475
Pledges receivable, net	1,637,486	463,060
Other assets	427,831	694,301
Right of use assets	6,012,858	6,581,469
Property and equipment, net	<u>33,780</u>	<u>40,203</u>
Total assets	<u>\$ 36,371,876</u>	<u>\$ 33,639,228</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$ 3,351,144	\$ 3,228,123
Deferred revenue	196,492	585,122
Operating lease right of use liabilities	6,202,014	6,667,396
Finance lease right of use liabilities	<u>81,693</u>	<u>125,415</u>
Total liabilities	<u>9,831,343</u>	<u>10,606,056</u>
Net assets		
Without donor restrictions		
General	10,917,770	12,759,716
Board designated	<u>989,109</u>	<u>966,130</u>
Total without donor restrictions	11,906,879	13,725,846
With donor restrictions	<u>14,633,654</u>	<u>9,307,326</u>
Total net assets	<u>26,540,533</u>	<u>23,033,172</u>
Total liabilities and net assets	<u>\$ 36,371,876</u>	<u>\$ 33,639,228</u>

The accompanying notes are an integral part of these financial statements.

JVS SoCal
Statement of Activities
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Revenues, gains and other support				
Government agency contracts	\$ 28,315,996	\$ -	\$ 28,315,996	\$ 23,635,667
Contributions	239,008	5,985,055	6,224,063	7,939,256
Contributions - In-kind	374,743	-	374,743	172,260
Private grants and contracts	475,827	2,781,934	3,257,761	1,621,806
Special events, net	1,167,635	-	1,167,635	2,149,709
Program fees	179,554	-	179,554	5,239
Jewish Federation Council Allocation	125,000	150,000	275,000	275,000
Net assets released from restriction	4,321,054	(4,321,054)	-	-
Total revenues, gains and other support	<u>35,198,817</u>	<u>4,595,935</u>	<u>39,794,752</u>	<u>35,798,937</u>
Functional expenses				
Program services				
Career Services	450,864	-	450,864	472,994
Disability and Assessment	88,989	-	88,989	99,504
Workforce Development	16,005,771	-	16,005,771	12,706,731
Welfare to Work	6,464,691	-	6,464,691	6,470,912
Immigrant and Refugee	2,622,155	-	2,622,155	1,411,940
JVS Works	2,700,525	-	2,700,525	1,415,469
Scholarship	1,215,664	-	1,215,664	1,053,090
Total program services	<u>29,548,659</u>	<u>-</u>	<u>29,548,659</u>	<u>23,630,640</u>
Support services				
Management and general	7,234,014	-	7,234,014	7,432,383
Fundraising	1,105,408	-	1,105,408	1,042,607
Total support services	<u>8,339,422</u>	<u>-</u>	<u>8,339,422</u>	<u>8,474,990</u>
Total functional expenses	<u>37,888,081</u>	<u>-</u>	<u>37,888,081</u>	<u>32,105,630</u>
Change in net assets from operations	<u>(2,689,264)</u>	<u>4,595,935</u>	<u>1,906,671</u>	<u>3,693,307</u>
Other changes				
Investment income, net	870,297	730,393	1,600,690	2,156,534
Provision for recoveries on uncollectible pledges receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,369</u>
Total other changes	<u>870,297</u>	<u>730,393</u>	<u>1,600,690</u>	<u>2,183,903</u>
Change in net assets	<u>(1,818,967)</u>	<u>5,326,328</u>	<u>3,507,361</u>	<u>5,877,210</u>
Net assets, beginning of year	<u>13,725,846</u>	<u>9,307,326</u>	<u>23,033,172</u>	<u>17,155,962</u>
Net assets, end of year	<u>\$ 11,906,879</u>	<u>\$ 14,633,654</u>	<u>\$ 26,540,533</u>	<u>\$ 23,033,172</u>

The accompanying notes are an integral part of these financial statements.

JVS SoCal
Statement of Functional Expenses
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	Program Services							Support Services				
	Career Services	Disability and Assessment	Workforce Development	Welfare to Work	Immigrant and Refugee	JVS Works	Scholarship	Total Program Services	Management and General	Fundraising	2024 Total	2023 Total
Personnel expenses												
Salaries	\$ 210,407	\$ 49,763	\$ 5,383,998	\$ 4,770,053	\$ 1,651,989	\$ 920,646	\$ 152,630	\$ 13,139,486	\$ 3,575,895	\$ 645,548	\$ 17,360,929	\$ 16,208,264
Taxes and benefits	180,432	13,346	1,158,476	1,174,225	379,092	206,508	52,503	3,164,582	848,926	125,665	4,139,173	3,182,872
Total personnel expenses	390,839	63,109	6,542,474	5,944,278	2,031,081	1,127,154	205,133	16,304,068	4,424,821	771,213	21,500,102	19,391,136
Other operating expenses												
Equipment and facility maintenance	7,132	1,395	157,639	2,725	97,739	61,152	6,848	334,630	297,638	21,179	653,447	630,818
Fundraising	-	-	-	-	-	-	1,950	1,950	-	6,180	8,130	12,777
Marketing and public relations	-	-	74,697	-	50	7,121	-	81,868	13,018	36,986	131,872	237,533
Occupancy	33,297	8,927	891,088	85,654	287,092	269,634	25,506	1,601,198	316,837	3,539	1,921,574	1,678,972
Office supplies and postage	-	497	201,126	32,145	48,177	9,447	567	291,959	66,529	4,526	363,014	249,283
Legal and professional fees	13,005	3,747	194,846	50,805	71,313	869,587	17,376	1,220,679	1,441,219	197,540	2,859,438	2,165,861
Other program expenses	1,125	9,665	3,654,509	6,964	34,896	304,696	8,774	4,020,629	305,008	25,414	4,351,051	2,464,080
Work experience	-	-	2,386,321	303,807	610	1,408	3,675	2,695,821	16,892	39,435	2,752,148	1,834,471
Tuition	-	-	1,469,190	-	-	11,685	-	1,480,875	1,618	20,048	1,502,541	1,769,889
Utilities	3,012	1,414	278,718	27,473	40,711	21,964	3,168	376,460	93,837	2,801	473,098	391,727
Training, parking and conferences	2,454	235	154,985	8,813	7,168	15,656	3,829	193,140	135,938	3,510	332,588	301,451
Miscellaneous costs	-	-	18	1,866	3,318	1,021	9,959	16,182	110,927	(12,663)	114,446	146,470
Depreciation and amortization	-	-	-	-	-	-	-	-	9,732	-	9,732	19,862
Scholarship awards	-	-	-	-	-	-	914,900	914,900	-	-	914,900	811,300
Direct benefit costs	-	-	160	161	-	-	13,979	14,300	91	220,254	234,645	286,057
Total other operating expenses	60,025	25,880	9,463,297	520,413	591,074	1,573,371	1,010,531	13,244,591	2,809,284	568,749	16,622,624	13,000,551
Total expenses	450,864	88,989	16,005,771	6,464,691	2,622,155	2,700,525	1,215,664	29,548,659	7,234,105	1,339,962	38,122,726	32,391,687
Less: expenses included with revenues on the statement of activities												
Direct benefit costs	-	-	-	-	-	-	-	-	(91)	(234,554)	(234,645)	(286,057)
	\$ 450,864	\$ 88,989	\$ 16,005,771	\$ 6,464,691	\$ 2,622,155	\$ 2,700,525	\$ 1,215,664	\$ 29,548,659	\$ 7,234,014	\$ 1,105,408	\$ 37,888,081	\$ 32,105,630

The accompanying notes are an integral part of these financial statements.

JVS SoCal
Statement of Cash Flows
For the Year Ended December 31, 2024
(With Comparative Totals for 2023)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ 3,507,361	\$ 5,877,210
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	9,732	19,862
Provision for loss from uncollectible pledges receivable	(60,965)	(27,369)
Discount on pledges receivable	26,180	5,488
Donated investments	(4,425,640)	(403,708)
Net realized and unrealized losses (gains) on investments	(999,271)	(1,725,509)
Contributions received with permanent restrictions	-	(121,897)
Reduction in carrying amount of right of use assets	698,794	1,852,533
Changes in operating assets and liabilities		
Due from government agencies	1,539,759	(1,648,152)
Pledges receivable, net	(1,139,641)	138,824
Other assets	266,470	(70,610)
Accounts payable and accrued expenses	123,021	(561,014)
Deferred revenue	(388,630)	58,817
Operating lease liabilities	(595,565)	(1,710,518)
Net cash provided by (used in) operating activities	<u>(1,438,395)</u>	<u>1,683,957</u>
Cash flows from investing activities		
Purchases of property and equipment	(3,309)	(16,166)
Proceeds from sales of investments	2,717,636	(2,841,492)
Net cash provided by (used in) investing activities	<u>2,714,327</u>	<u>(2,857,658)</u>
Cash flows from financing activities		
Contributions received with permanent restrictions	-	121,897
Finance lease liabilities	(43,722)	(43,140)
Net cash provided by (used in) financing activities	<u>(43,722)</u>	<u>78,757</u>
Net increase (decrease) in cash and cash equivalents	1,232,210	(1,094,944)
Cash and cash equivalents, beginning of year	<u>2,331,187</u>	<u>3,426,131</u>
Cash and cash equivalents, end of year	<u>\$ 3,563,397</u>	<u>\$ 2,331,187</u>

Supplemental schedule of noncash investing and financing activities

Acquisition of operating right-of-use asset through operating lease liability	\$ 130,183	\$ 369,962
---	------------	------------

The accompanying notes are an integral part of these financial statements.

JVS SoCal
Notes to Financial Statements
December 31, 2024

1. NATURE OF OPERATIONS

JVS SoCal ("JVS"), a California nonprofit nonsectarian corporation formally known as Jewish Vocational Service, provides vocational assessment, counseling and training; career mentoring and management; industry-specific job training programs; disability and assessment services and programs for individuals transitioning from welfare to work as well as donor-directed scholarship awards program. In addition to job training, JVS offers job preparation and placement support. These programs serve individuals throughout the Greater Los Angeles region, representing nearly 30,000 client visits annually.

- Career Services offers assistance to clients in developing their job search skills, career counseling, coaching, outplacement services to individuals and corporations and career-related informational and educational services to specific segments of the Los Angeles community.
- The Disability and Assessment programs serve clients with barriers to employment, including physical, emotional and developmental disabilities. JVS offers state of the art assistive technology for job seekers with vision or hearing impairment with the most comprehensive resources in the Southern California area. These programs, which operate out of several sites, assist with assessment and identification of employment and education opportunities. The JVS Assessment Center provides vocational evaluation and assessment services for the California Department of Rehabilitation, for Los Angeles County consumers in the GAIN (Greater Avenues for Independence) and GROW (General Relief Opportunities for Work) programs, and for the Department of Veterans Affairs.
- WorkForce Development Centers operates federally-funded America's Job Centers of California (AJCC) , which are part of the American Job Centers Network, serving both job seekers and local employers, offering job fairs, candidate recruitment and screening. Programs for job seekers include: job readiness workshops and counseling in the areas of comprehensive job search and employment services to assist individuals with appropriate job training for career paths and employment. JVS AJCC Centers provide services for all job seekers, including adults and youth with special needs (at-risk, foster and probation youth). JVS also operates JVS Veteran Services that includes the Veterans First program that assists veterans transitioning to the civilian workforce and Veterans Peer Access Network that connects veterans to community resources. JVS contracts with the City of West Hollywood, City of Santa Monica, County of Los Angeles, City of Los Angeles, Antelope Valley, the State of California EDD and City of Hawthorne and collaborates with the State Department of Rehabilitation and the Employment Development Department Offices to provide Workforce Development services.
- Welfare to Work programs provide assistance to thousands of clients transitioning from welfare to work through the Los Angeles County GAIN programs. The programs offer full-service case management under the supervision of the County. Offices are located in Chatsworth, Palmdale, Santa Clarita, and Glendale.

JVS SoCal
Notes to Financial Statements
December 31, 2024

1. NATURE OF OPERATIONS (continued)

- Immigrant and Refugee programs serve refugees on welfare by offering English as a Second Language workshops, job search skills, job placement and workshop training in Los Angeles, Glendale and San Fernando Valley. The goal is to foster acculturation and move clients quickly into education, training and employment.
- JVS Works include employment skills programs that foster growth and job readiness in individuals who are seeking new skills or new career opportunities. Programs prepare clients with customized job training, job placement assistance and ongoing coaching for careers in the health care and financial services sectors. JVS also operates a career mentoring program designed specifically for women facing a career transition or working to advance their career.
- The JVS Scholarship Fund grants scholarships to low-income Jewish students who require financial assistance to pursue post-secondary education. Scholarship awards are funded by contributions received by JVS, as well as income earned on endowments held by both JVS and the Jewish Community Foundation (the "JCF"). These financial statements exclude funds held by the JCF for which JVS has no rights to the principal.

JVS is affiliated with the Jewish Federation Council ("JFC"). The accompanying financial statements exclude the accounts of JFC and any other organization affiliated with JFC, as the organizations operate independently. JFC provides certain services to JVS, including administration of the pension and obtaining insurance. JVS reimburses JFC for the cost of these services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Income tax status

JVS is a qualified entity exempt from federal income under the provision of Section 501(c)(3) of the Internal Revenue Code and is exempt from state income taxes under the corresponding sections of the California Revenue and Taxation Code.

Financial statement presentation

JVS reports information regarding its financial position and activities based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

JVS SoCal
Notes to Financial Statements
December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial statement presentation (continued)

- *Net assets without donor restrictions* - Net assets that are not subject to donor-imposed stipulations. The Board has designated proceeds from the annual Women's Conference to support the WoMentoring program. There may be other limits arising from contractual arrangements with outside parties.
- *Net assets with donor restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource had been fulfilled, or both.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and cash equivalents

JVS considers cash on deposit, temporary investments and all highly-liquid financial instruments with original maturities of three months or less to be cash equivalents. There were \$722,019 of cash equivalents at December 31, 2024.

JVS invests excess cash in highly-liquid money market funds with a national financial institution.

Concentrations

JVS's bank balances occasionally exceed the FDIC-insured limits. JVS has not experienced and does not anticipate any losses relating to cash held in these accounts.

JVS receives a majority of its funding through various government contracts as a subcontractor for local governments. The funding sources for these contracts include both Federal and state funds. Ongoing funding at historical levels is dependent upon both current government priorities and funding capacity.

JVS SoCal
Notes to Financial Statements
December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations (continued)

JVS's largest single revenue source is its subcontract for the GAIN program. The Los Angeles County Department of Public Social Services ("DPSS") originally awarded this contract to Maximus, with whom JVS subcontracts, in December 2005. This contract has been extended or renewed multiple times. The most recent contract was adopted November 16, 2021 and extends the contract term through December 31, 2024. The formal subcontractor agreement between Maximus and JVS was adopted on December 29, 2021 and extends the subcontractor agreement term through December 31, 2026. Funding for JVS under the contract is approximately \$43 million over a 60-month period.

Investments

Investments are carried at fair value (see Note 3). Interest and dividend income, and gains and losses on investments are reported in the statement of activities as either increases or decreases in net assets without donor restrictions, unless the use is restricted by donor stipulations or law.

Endowments

An endowment is an established fund of cash, securities, or other assets to provide income for the maintenance of a nonprofit organization. The use of the assets of the fund may be donor-restricted for a specified purpose or time, donor-restricted into perpetuity, or without donor-restrictions. Endowment funds generally are established by donor-restricted gifts and bequests to provide a permanent source of income, or a term endowment to provide income for a specified period. The portion of an endowment required by the donor to be maintained into perpetuity (not used, expended, or otherwise exhausted) is classified as donor-restricted endowment funds. Earnings from the donor-restricted endowment funds are classified as earnings on donor-restricted endowments not yet appropriated for spending. See Note 6 for additional details.

Property and equipment

Property and equipment consists of furniture and equipment and leasehold improvements, and are capitalized if their costs exceed \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives (3 - 10 years) of the depreciable assets or asset groups. Leasehold improvements are amortized over 10 years.

JVS includes in net assets with donor restrictions property and equipment purchased in accordance with donor stipulations and uses the placed-in-service approach for reporting expirations of these restrictions.

JVS SoCal
Notes to Financial Statements
December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment (continued)

Normal repairs and maintenance are expensed to operations when incurred, whereas significant charges that materially increase the value or extend useful lives are capitalized and depreciated over the estimated useful lives of the related assets. Upon sale or disposal of equipment, the cost and accumulated depreciation and amortization are removed from the respective accounts, and any gain or loss is included in operations. Government-funded programs may purchase and expense property and equipment in the year that grant dollars are received.

Depreciation and amortization of property and equipment is computed using the straight-line method over the following estimated useful lives:

Leasehold improvements	10 years
Furniture and equipment	3 - 5 years

Impairment of long-lived assets

Management reviews each asset or asset group for impairment whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable, but at least annually. No impairment provisions were recorded by JVS during the year ended December 31, 2024.

Support and revenue recognition

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of temporary restrictions on net assets are reported as releases between net assets with and without donor restrictions.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Accordingly, JVS recognizes government grant funds as support and revenue when eligible costs are incurred or when eligible services have been rendered. A receivable is recognized to the extent contract support earned exceeds cash advances. Conversely, a liability (deferred revenue) is recorded when contract cash advances exceed support earned. No liabilities exist as of the statement of financial position date for contract cash advances. JVS has received approximately \$9,760,000 of cost-reimbursable grants that have not been recognized at December 31, 2024 because qualifying expenses have not yet been incurred. JVS reports conditional contributions that are also restricted by donors as increases in net assets without donor restrictions if the restrictions and conditions expire simultaneously.

Contributions, which may include unconditional promises-to-give, are recognized as revenue in the period unconditionally pledged or when conditions are met.

JVS SoCal
Notes to Financial Statements
December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated services and use of facilities

A substantial number of volunteers have donated significant amounts of time and services to JVS; however, no amounts have been reflected in the accompanying financial statements for donated services since the services contributed do not meet the criteria for recognition under generally accepted accounting principles.

JVS entered into a lease agreement with the City of Los Angeles in May 2017 for office space that requires monthly rental payments of \$0. The term of this lease is 10-years and includes three 5-year renewal options. The lease contains language which requires JVS to meet certain performance requirements, including providing a specific program at this location, and therefore the lease is accounted for as a conditional pledge. During the year ended December 31, 2024, JVS recognized \$235,560 in donated use of facilities for this office space, which has been included within contribution revenue and occupancy expenses in the accompanying statement of activities and statement of functional expenses, respectively. The value of the lease revenue is based upon the a market value determined by the City of Los Angeles at the inception of the lease in 2017. The remaining value of the lease, assuming JVS exercises all renewal options, has been discounted at 4% and totals approximately \$2,905,000.

Functional expenses

JVS presents expenses by functional classification. The basis for the allocation of all shared costs is the number of full-time equivalent employees working in each program, since the benefit received by the program is most closely related to the time spent by the employees. Allocated shared costs included certain occupancy expenses, insurance, certain employee compensation costs, and supplies.

Subsequent events

JVS has evaluated events subsequent to December 31, 2024, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 27, 2025, the date the financial statements were available to be issued.

3. INVESTMENTS

JVS manages its endowment and operating investments as one portfolio and reports its investments at fair value among three categories of price inputs available. These categories of inputs are quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

JVS SoCal
Notes to Financial Statements
December 31, 2024

3. INVESTMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, JVS's investments at fair value as of December 31, 2024::

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Equities	\$ 13,339,100	\$ -	\$ -	\$ 13,339,100
Mutual funds	5,223,679	-	-	5,223,679
Exchange-traded funds	<u>2,770,029</u>	<u>-</u>	<u>-</u>	<u>2,770,029</u>
	<u>\$ 21,332,808</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,332,808</u>

Activity in the investments during the year was as follows:

Balance, beginning of year	\$ 18,625,533
Donated investments	4,425,640
Proceeds from sales of investments	(2,717,636)
Net realized and unrealized gains on investments	<u>999,271</u>
Balance, end of year	<u>\$ 21,332,808</u>

4. PLEDGES RECEIVABLE

Pledges receivable by year at December 31, 2024 are as follows:

Amounts due in one year	\$ 247,511
Amounts due in two to five years	<u>1,555,180</u>
	1,802,691
Allowance for uncollectible pledges	(80,381)
Discount to net present value	<u>(84,824)</u>
	<u>\$ 1,637,486</u>

JVS uses 4% as its present value discount factor.

JVS SoCal
Notes to Financial Statements
December 31, 2024

5. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2024 consisted of the following:

Accumulated depreciation and amortization	\$ 1,227,070
Leasehold improvements	<u>146,612</u>
	1,373,682
Other fixed assets - acc depreciation	<u>(1,339,902)</u>
	<u>\$ 33,780</u>

6. ENDOWMENT

JVS has interpreted California's Uniform Prudent Management of Institutional Funds Act of 2008 ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, JVS classifies as donor-restricted net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as donor-restricted net assets is classified as donor-restricted for a specified purpose until those amounts are appropriated for expenditure by JVS in a manner consistent with the standard of prudence prescribed by UPMIFA.

JVS has adopted an investment policy, approved by its Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term objective is to have a balanced portfolio with returns, net of investment fees, in each asset classification benchmarked against appropriate benchmarks. Actual returns in any given year may vary. To satisfy its long-term rate-of-return objectives, JVS relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). JVS targets a diversified asset allocation that places an emphasis on fixed income securities, including U.S. Treasury securities, and equity-based investments to achieve its long-term rate-of-return objectives within prudent risk parameters.

Endowment composition

The Board has adopted a formal spending policy where JVS is permitted to spend up to 4% of the average balance over a three-year period of the Endowment Fund.

JVS SoCal
Notes to Financial Statements
December 31, 2024

6. ENDOWMENT (continued)

Endowment composition (continued)

Endowment net asset composition by type of fund as of December 31, 2024 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 5,316,558	\$ 5,316,558
Accumulated investment gains	<u>-</u>	<u>2,432,337</u>	<u>2,432,337</u>
	<u>\$ -</u>	<u>\$ 7,748,895</u>	<u>\$ 7,748,895</u>

Changes in endowment net assets for the year ended December 31, 2024 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balance, December 31, 2023	\$ -	\$ 7,165,037	\$ 7,165,037
Contributions	-	113,565	113,565
Investment income, net	-	274,836	274,836
Net realized and unrealized gains on investments	-	440,557	440,557
Appropriation of endowment assets for expenditure	<u>-</u>	<u>(245,100)</u>	<u>(245,100)</u>
Balance, December 31, 2024	<u>\$ -</u>	<u>\$ 7,748,895</u>	<u>\$ 7,748,895</u>

JVS SoCal
Notes to Financial Statements
December 31, 2024

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

Subject to expenditure for specified purpose	
Scholarship program - contributions	\$ 1,441,996
JVS Works programs	4,655,578
Veterans programs	493,526
Financial literacy	29,998
	<u>6,621,098</u>
 Time-restricted	 <u>263,661</u>
 Endowment funds restricted in perpetuity	
Scholarship	3,409,823
General	1,906,735
	<u>5,316,558</u>
 Endowment earnings not yet appropriated	
Scholarship	1,726,483
General	705,854
	<u>2,432,337</u>
	<u><u>\$ 14,633,654</u></u>

In addition to the \$263,661 shown above, there are an additional \$1,539,030 of time-restricted net assets that are also purpose restricted. The total of these amounts, net of a present value discount, \$1,637,486, is shown as pledges receivable in the accompanying statement of financial position.

Net assets released during 2024 consisted of the following:

Scholarship	\$ 972,129
Endowment earnings appropriated	95,335
Veterans programs	848,899
Training programs (Works)	2,284,856
WLN and Women's Empowerment	2,800
Financial literacy	10,600
Time-restricted	<u>106,435</u>
	<u><u>\$ 4,321,054</u></u>

JVS SoCal
Notes to Financial Statements
December 31, 2024

8. MULTI-EMPLOYER PLAN

JVS participates in the Basic Pension Plan for Employees of Jewish Federation Council of Greater Los Angeles (the "Basic Plan"), identified as Plan 001 and Employer Identification Number 95-1643388. The Basic Plan is a multi-employer pension plan for certain employees of the Jewish Federation Council of Greater Los Angeles and participating affiliate agencies. Substantially all employees hired prior to 2006 are participants in the Basic Plan. The risks of participating in a multi-employer plan are different from single-employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If JVS chooses to stop participating in some of its multi-employer plans, it may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

JVS is required to make minimum contributions according to actuarial requirements pursuant to a collective bargaining agreement which was renewed during 2023 and expires June 30, 2027.

For the plan year beginning January 1, 2023, the Basic Plan was certified to be in neither endangered nor critical status ("Green Zone") because the Basic Plan's funded percentage was greater than 80%. The Basic Plan has been Green Zone certified since January 1, 2014. During 2024, JVS contributed \$319,686 to the Basic Plan which exceeded 5% of the total plan contributions.

The Basic Plan's audited financial statements and Form 5500 for 2023 are available to the public on the Department of Labor website.

9. RETIREMENT BENEFITS

Retirement benefits are provided for eligible employees hired beginning January 1, 2006, through the JFC, a multi-employer defined contribution plan which provides employer contributions at a set percentage of pay. JVS exited this plan in January 2018.

Effective January 1, 2018, JVS established the JVS SoCal Defined Contribution Plan (the "DC Plan") for all eligible employees. The DC Plan is a profit sharing plan to which JVS will annually contribute 5% of eligible compensation paid to the DC Plan participants. During 2024, JVS contributed \$215,238 to the DC Plan.

Retirement benefits for other eligible employees are provided by a 401(k) plan, under which JVS matches 50% of employee contributions up to 6% of eligible wages. JVS contributed \$81,148 to this plan during the year.

JVS SoCal
Notes to Financial Statements
December 31, 2024

10. LEASES

JVS is committed under various noncancelable operating and financing leases for its office facilities and certain equipment. The leases carry separate terms and expire at various dates through June 2032. The qualifying operating and financing leases have been recognized as right-of-use lease assets and lease liabilities in the accompanying balance sheet at December 31, 2024.

Right-of-use lease assets are as follows:

Right-of-use lease assets - operating	\$ 5,932,778
Right-of-use lease assets - financing	<u>80,080</u>
	<u><u>\$ 6,012,858</u></u>

Lease liability is detailed as follows:

Operating lease liability	\$ 6,202,014
Financing lease liability	<u>81,693</u>
	<u><u>\$ 6,283,707</u></u>

The weighted-average remaining lease terms and discount rates are as follows:

Weighted-average remaining lease term - operating lease	4.33 years
Weighted-average discount rate - operating lease	2.07%
Weighted-average remaining lease term - financing lease	1.81 years
Weighted-average discount rate - financing lease	1.34%

JVS has commitments under noncancelable operating leases related to office space and equipment expiring at various dates through June 2032:

<u>Year ending December 31,</u>	<u>Operating</u>	<u>Financing</u>	<u>Total</u>
2026	\$ 1,615,637	\$ 45,084	\$ 1,660,721
2027	1,626,321	37,570	1,663,891
2028	1,297,286	-	1,297,286
2029	1,043,641	-	1,043,641
2030	621,616	-	621,616
Thereafter	<u>253,348</u>	<u>-</u>	<u>253,348</u>
	6,457,849	82,654	6,540,503
Less: present value discount	<u>(255,835)</u>	<u>(961)</u>	<u>(256,796)</u>
	<u><u>\$ 6,202,014</u></u>	<u><u>\$ 81,693</u></u>	<u><u>\$ 6,283,707</u></u>

JVS SoCal
Notes to Financial Statements
December 31, 2024

10. LEASES (continued)

Lease costs for the year consisted of the following:

Operating lease costs	
Monthly scheduled rent	\$ 1,570,020
	<u>1,570,020</u>
Finance lease costs	
Monthly scheduled rent	<u>43,680</u>
	<u>43,680</u>
	<u>\$ 1,613,700</u>

Sublease income

JVS leases a portion of a two separate program facilities for approximately \$37,000 per month through February 2028 and July 2029, respectively.

Future expected collections of sublease income are as follows:

<u>Year ending December 31,</u>	
2025	\$ 448,733
2026	452,353
2027	454,270
2028	294,869
2029	<u>153,373</u>
	<u>\$ 1,803,598</u>

11. LITIGATION

JVS is involved in litigation in the normal course of business. Management does not believe any of the current litigation will result in a materially adverse financial outcome.

12. LIQUIDITY AND AVAILABILITY

JVS is significantly supported by contributions with donor restrictions. JVS maintains sufficient resources to meet its responsibilities to its donors. JVS's liquidity management policy is designed to provide that its remaining financial assets are available for operations as its general expenditures, liabilities, and other obligations come due.

The following reflects JVS's financial assets reported on the statement of financial position, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions.

JVS SoCal
Notes to Financial Statements
December 31, 2024

12. LIQUIDITY AND AVAILABILITY (continued)

Liquidity of financial assets as of December 31, 2024 is as follows:

Cash and cash equivalents	\$ 3,563,397
Investments	21,332,808
Due from government agencies, net	3,363,716
Pledges receivable, net	<u>1,637,486</u>
	29,897,407
Board designated net assets	(989,109)
Donor-restricted endowment funds (see Notes 6 and 7)	(7,748,895)
Net assets subject to expenditure for specified purpose (see Note 7)	(6,621,098)
Pledges receivable due past one year, net of present value discount and allowance for uncollectible pledges (see Note 4)	<u>(1,389,994)</u>
	<u><u>\$ 13,148,311</u></u>

Board designated net assets represents funds raised by JVS's auxiliary the Women's Leadership Network (the "WLN") for programmatic support. These funds do not meet the criteria to be classified as with donor restriction, therefore the Board designates a similar amount each year to reflect the efforts of the WLN.

SINGLE AUDIT REPORTS AND SCHEDULES

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
JVS SoCal

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of JVS SoCal ("JVS"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered JVS's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of JVS's internal control. Accordingly, we do not express an opinion on the effectiveness of JVS's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether JVS's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JVS's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JVS's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Los Angeles, California

September 27, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

Board of Directors
JVS SoCal

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited JVS SoCal ("JVS")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of JVS's major federal programs for the year ended December 31, 2024. JVS's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, JVS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of JVS and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of JVS's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to JVS's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on JVS's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JVS's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding JVS's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of JVS's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of JVS's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Armanino LLP". The script is cursive and fluid, with the letters "A", "L", and "P" being particularly prominent.

Los Angeles, California

September 27, 2025

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
<u>Expenditures of Federal Awards</u>				
U.S. Department of Labor				
WIOA Cluster				
Pass-through State of California Employment Development Department				
AJCC WLA - Equity & Target Population	04/01/23-03/31/25	AA-35818-22-55-A-6	17.258	\$ 236,835
Pass-Through County of Los Angeles Workforce Development, Aging, and Community Services				
AJCC Veterans - Adult	07/01/23-06/30/24	22-23AJCCVT	17.258	621,255
AJCC Veterans - Adult	07/01/24-09/30/24	22-23AJCCVT	17.258	250,652
AJCC Veterans - Adult	10/01/24-09/30/25	24-25AJCCVT	17.258	196,761
AJCC Veterans - Measure H	07/01/23-06/30/24	22-23AJCCVT	17.258	30,611
AJCC Veterans - Measure H	07/01/24-09/30/24	22-23AJCCVT	17.258	10,207
AJCC Veterans - Measure H	10/01/24-06/30/25	24-25AJCCVT	17.258	7,319
AJCC WLA - Out of School Youth	07/01/23-06/30/24	22-23AJCCWC	17.259	100,725
AJCC WLA - Out of School Youth	07/01/24-09/30/24	22-23AJCCWC	17.259	48,977
AJCC WLA - Out of School Youth	10/01/24-06/30/25	24-25AJCCWC	17.259	46,757
AJCC WLA - Measure H	07/01/23-06/30/24	22-23AJCCWC	17.278	36,675
AJCC WLA - Measure H	07/01/24-09/30/24	22-23AJCCWC	17.278	10,602
AJCC WLA - Measure H	10/01/24-06/30/25	24-25AJCCWC	17.278	14,746
AJCC WLA - Underserved Youth	07/01/23-06/30/24	22-23AJCCWC	17.259	33,291
AJCC WLA - Youth@WORK	07/01/24-09/30/24	22-23AJCCWC	17.259	76,559
AJCC WLA - Youth@WORK	10/01/24-06/30/25	24-25AJCCWC	17.259	78,405
AJCC WLA - Calworks	07/01/23-06/30/24	22-23AJCCWC	17.259	23,913
AJCC WLA - Calworks	07/01/24-09/30/24	22-23AJCCWC	17.259	16,673
AJCC WLA - Calworks	10/01/24-06/30/25	24-25AJCCWC	17.259	17,924
AJCC WLA - Foster Youth	07/01/23-06/30/24	22-23AJCCWC	17.259	3,949
AJCC WLA - Probation	07/01/23-06/30/24	22-23AJCCWC	17.259	10,647
AJCC WLA - Probation	07/01/24-09/30/24	22-23AJCCWC	17.259	8,485
AJCC WLA - Probation	10/01/24-06/30/25	24-25AJCCWC	17.259	763
AJCC WLA - System Involved Youth	07/01/23-06/30/24	22-23AJCCWC	17.259	34,580
AJCC WLA - Adult	07/01/23-06/30/24	22-23AJCCWC	17.258	190,036

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
AJCC WLA - Adult	07/01/24-09/30/24	22-23AJCCWC	17.258	68,285
AJCC WLA - Adult	10/01/24-06/30/25	24-25AJCCWC	17.258	73,971
AJCC WLA - Dislocated Worker	07/01/23-06/30/24	22-23AJCCWC	17.258	81,813
AJCC WLA - Dislocated Worker	07/01/24-09/30/24	22-23AJCCWC	17.258	27,291
AJCC WLA - Dislocated Worker	10/01/24-06/30/25	24-25AJCCWC	17.258	37,016
AJCC Antelope Valley - GROW	07/01/23-06/30/24	22-23AJCCAV	17.259	56,836
AJCC Antelope Valley - GROW	07/01/24-09/30/24	22-23AJCCAV	17.259	24,225
AJCC Antelope Valley - GROW	10/01/24-06/30/25	24-25 AJCCAV	17.259	33,284
AJCC Antelope Valley - Adult	07/01/23-06/30/24	22-23AJCCAV	17.258	660,929
AJCC Antelope Valley - Adult	07/01/24-09/30/24	22-23AJCCAV	17.258	232,865
AJCC Antelope Valley - Adult	10/01/24-06/30/25	24-25 AJCCAV	17.258	307,942
AJCC Antelope Valley - DW	07/01/23-06/30/24	22-23AJCCAV	17.278	159,523
AJCC Antelope Valley - DW	07/01/24-09/30/24	22-23AJCCAV	17.278	43,864
AJCC Antelope Valley - DW	10/01/24-06/30/25	24-25AJCCAV	17.278	82,490
AJCC Antelope Valley - Out of School Youth	07/01/23-06/30/24	22-23AJCCAV	17.259	431,316
AJCC Antelope Valley - Out of School Youth	07/01/24-09/30/24	22-23AJCCAV	17.259	139,083
AJCC Antelope Valley - Out of School Youth	10/01/24-06/30/25	24-25AJCCAV	17.259	191,414
AJCC Antelope Valley - Calworks	07/01/23-06/30/24	22-23AJCCAV	17.259	105,734
AJCC Antelope Valley - Calworks	07/01/24-09/30/24	22-23AJCCAV	17.259	60,152
AJCC Antelope Valley - Calworks	10/01/24-06/30/25	24-25AJCCAV	17.259	67,274
AJCC Antelope Valley - Youth@WORK	07/01/24-09/30/24	22-23AJCCAV	17.259	191,726
AJCC Antelope Valley - Youth@WORK	10/01/24-06/30/25	24-25AJCCAV	17.259	252,659
AJCC Antelope Valley - Underserved Youth	07/01/23-06/30/24	22-23AJCCAV	17.259	404,788
AJCC Antelope Valley - Foster	07/01/23-06/30/24	22-23AJCCAV	17.259	42,328
AJCC Antelope Valley - Probation	07/01/23-06/30/24	22-23AJCCAV	17.259	12,613
AJCC Antelope Valley - Probation	07/01/24-09/30/24	22-23AJCCAV	17.259	9,981
AJCC Antelope Valley - Probation	10/01/24-06/30/25	24-25AJCCAV	17.259	6,381
AJCC Antelope Valley - System Involved Youth	07/01/23-06/30/24	22-23AJCCAV	17.259	60,037
AJCC Antelope Valley - Rapid Response	07/01/23-06/30/24	22-23AJCCAV	17.278	109,624
AJCC Antelope Valley - Rapid Response	07/01/24-09/30/24	22-23AJCCAV	17.278	44,733
AJCC Antelope Valley - Rapid Response	10/01/24-06/30/25	24-25AJCCAV	17.278	62,649
AJCC Antelope Valley - Invest	07/01/23-06/30/24	22-23AJCCAV	17.802	136,935
AJCC Antelope Valley - Invest	07/01/24-09/30/24	22-23AJCCAV	17.802	53,353
AJCC Antelope Valley - Invest	10/01/24-06/30/25	24-25AJCCAV	17.802	75,372

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
AJCC Antelope Valley - Measure H	07/01/23-06/30/24	22-23AJCCAV	17.278	69,139
AJCC Antelope Valley - Measure H	07/01/24-09/30/24	22-23AJCCAV	17.278	27,732
AJCC Antelope Valley - Measure H	10/01/24-09/30/25	24-25AJCCAV	17.278	27,036
				<u>6,342,905</u>
Pass-through City of Los Angeles Economic and Workforce Development				
City of LA - WIOA Adult	06/30/23 - 06/30/24	C-140741	17.258	306,620
City of LA - WIOA Adult	06/30/24 - 06/30/25	C014751	17.258	169,046
City of LA - WIOA Dislocated Worker	06/30/23 - 06/30/24	C-140741	17.278	208,405
City of LA - WIOA Dislocated Worker	06/30/24 - 06/30/25	C014751	17.278	100,917
				<u>784,988</u>
Pass-Through City of Los Angeles HUD				
City of LA- WIOA CDBG Childcare	11/01/21 - 06/30/24	C-139800	14.218	14,615
Pass-through County of Los Angeles				
Workforce Development, Aging, and Community Services: / AYE of Catholic				
AJCC South LA - Adult	01/01/24-06/30/24	22-23 AJCCSL	17.258	27,976
AJCC South LA - Adult	07/01/24-8/31/24	22-23 AJCCSL	17.258	8,581
AJCC South LA - Dislocated Worker	01/01/24-06/30/24	22-23 AJCCSL	17.278	3,156
AJCC South LA - Dislocated Worker	07/01/24-8/31/24	22-23 AJCCSL	17.278	1,909
AJCC South LA - Measure H	01/01/24-06/30/24	22-23 AJCCSL	17.278	2,273
				<u>43,895</u>
Direct award				
Homeless Veterans Reintegration Project	07/01/23-06/30/26	23560HV000031-01-02	17.805	445,408
Total U.S. Department of Labor				<u>7,868,646</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
U.S. Department of Health and Human Services				
Pass-through from LA County Office of Education				
Pass-through County of Los Angeles Department of Public Social Services				
Refugee Employment Program - REAS DPSS	11/01/22-10/31/24	REAS 22-001	93.566	1,772,670
Refugee Employment Program - REAS DPSS	11/01/24 - 10/31/25	REAS 24-003	93.566	355,444
Family Stabilization (FS) Program Services - REAS DPSS	11/01/22-10/31/24	REAS 22-001	93.558	106,600
Family Stabilization (FS) Program Services - REAS DPSS	11/01/24 - 10/31/25	REAS 24-003	93.558	21,320
Calworks SB 1232 Participants - REAS DPSS	11/01/22 - 10/31/24	REAS 22-001	93.558	333,860
Calworks SB 1232 Participants - REAS DPSS	11/01/24 - 10/31/25	REAS 24-003	93.558	66,772
Services to Older Refugees	11/01/22 - 10/31/24	REAS 22-001	93.558	18,220
Services to Older Refugees	11/01/22-10/31/24	REAS 24-003	93.558	3,950
				<u>2,678,836</u>
Pass-through City of Hawthorne Job Training and Development Department				
Pass-through South Bay Workforce Investment Board on behalf of City of Inglewood				
Transitional Subsidized Employment: Temporary	07/01/23-12/31/24	22-W117	93.558	295,400
Pass-through Maximus, Inc.				
Greater Avenues for Independence: Temporary	02/01/2022-01/31/2025	79191	93.558	8,926,141
Total U.S. Department of Health and Human Services				<u>11,900,377</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

JVS SoCal
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Grant Period	Pass-Through Entity Identifying Number	Assistance Listing Number	Federal Expenditures
U.S. Department of Treasury				
Pass-through County of Los Angeles Community and Senior Services				
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund (ARPA) - Youth Elevate	07/15/22 - 12/31/26	ARP-EL-01	21.027	566,926
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund (ARPA) - PRRR	07/22/22 - 06/30/24	ARP-PRRR-01	21.027	<u>1,096,529</u>
Total U.S. Department of Treasury				<u>1,663,455</u>
U.S. Department of Veteran Affairs				
Direct awards				
VA Supportive Services for Veteran Families Program (SSVF)	10/01/23-09/30/24	23-CA-458	64.033	2,341,783
VA Supportive Services for Veteran Families Program (SSVF)	10/01/24-09/30/25	23-CA-458	64.033	<u>1,816,799</u>
				<u>4,158,582</u>
Direct award				
Veteran and Spouse Transitional Assistance Grant Program	9/01/24-8/31/25	VSTAGP-2024-CA-0011	64	<u>52,805</u>
Total U.S. Department of Veteran Affairs				<u>4,211,387</u>
Total Expenditures of Federal Awards				<u>\$ 25,643,865</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

JVS SoCal
Notes to Schedule of Expenditures of Federal Awards
December 31, 2024

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of JVS SoCal ("JVS") under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the JVS, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the JVS.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Pass-through entity identifying numbers are presented where available and applicable.

3. INDIRECT COSTS

JVS has elected to use the de minimis cost rate.

JVS SoCal
Notes to Schedule of Expenditures of Federal Awards
December 31, 2024

4. AWARDS LISTED BY ASSISTANCE LISTING NUMBER

Federal financial assistance is reported in the financial statements of JVS for the year ended December 31, 2024, as follows:

Program Title	Assistance Listing Number	Expenditures of Federal Awards
Department of Labor ("DOL")		
WIOA Cluster		
WIOA Adult Program	17.258	\$ 3,546,011
WIOA Youth Activities	17.259	2,591,479
WIOA Dislocated Worker Formula Grants	17.278	<u>1,005,473</u>
		7,142,963
Veterans' Employment Program	17.802	265,660
Homeless Veterans' Reintegration Program	17.805	445,408
Veteran and Spouse Transitional Assistance Grant Program	64.058	<u>52,805</u>
Total Department of Labor ("DOL")		<u>7,906,836</u>
Department of Health and Human Services ("HHS")		
Temporary Assistance for Needy Families	93.558	9,772,263
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	<u>2,128,114</u>
Total Department of Health and Human Services ("HHS")		<u>11,900,377</u>
Department of the Treasury ("TREAS")		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>1,663,455</u>
Total Department of the Treasury ("TREAS")		<u>1,663,455</u>
Department of Housing and Urban Development ("HUD")		
Community Development Block Grants/Entitlement Grants	14.218	<u>14,615</u>
Total Department of Housing and Urban Development ("HUD")		<u>14,615</u>
Department of Veterans Affairs		
VA Supportive Services for Veteran Families Program	64.033	<u>4,158,582</u>
Total Department of Veterans Affairs		<u>4,158,582</u>
Total Expenditures of Federal Awards		<u><u>\$ 25,643,865</u></u>

JVS SoCal
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>
Coronavirus State and Local Fiscal Recovery Funds	21.027
Temporary Assistance for Needy Families	93.558
Dollar threshold used to distinguish between Type A and Type B programs	\$769,316
Auditee qualified as low-risk auditee?	No

JVS SoCal
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

JVS SoCal
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings to be reported.

JVS SoCal
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2024

SECTION IV - STATUS OF PRIOR AUDIT FINDINGS

Finding number: 2023-001, 2022-001, 2021-001

Condition: During the years ended December 31, 2021 through December 31, 2023, we noted the following financial reporting matters.

- Certain accounts were not timely reconciled and adjusted as needed.
- Certain account schedules prepared by client and provided as audit support did not reconcile to the client trial balance and required revision.
- Contract revenues and expenses were not reconciled and updated.
- Certain key schedules were not reviewed by someone other than the preparer.

Recommendation: We recommend the following enhancements to the accounting department:

- Develop formal closing checklist and closing procedures focused on account reconciliation.
- Hire an additional grant accounting manager to manage the increasing workload associated with JVS funding sources.
- Seek opportunities to convert manual activities to more automated processes through the use of technology.
- Where reliance on spreadsheets must continue, develop new spreadsheets with improved spreadsheet controls.
- Ensure staffing that allows for review of reconciliations and supporting schedules.
- Ensure that adequate reviews of schedules are performed before publishing financial statements or providing schedules to third parties, including auditors.
- Develop a comprehensive digital filing system to ensure access to supporting documentation in the event of absence or turnover.

Current status: Corrective action has been taken.

Finding number: 2023-002, 2022-003

Condition: JVS's accounting manual requires monthly reconciliation and review of accounts receivable and accounts payable. These controls were not performed during 2023. In addition, certain key schedules (endowment allocation, Schedule of Expenditures of Federal Awards) were prepared by a senior member of the accounting team, but not reviewed by any other individual.

Recommendation: Management should ensure that timely reconciliations and reviews are a high priority, and continue to bring in temporary assistance if needed.

Current status: Corrective action has been taken.

JVS SoCal
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2024

SECTION IV - STATUS OF PRIOR AUDIT FINDINGS (**continued**)

Finding number:	2023-003
Condition:	During both 2022 and 2023, the schedule of expenditures of federal awards prepared by JVS SoCal's management was incomplete and/or required revision.
Recommendation:	Management should ensure that timely reconciliations and reviews are a high priority, and bring in temporary assistance if needed.
Current status:	Corrective action has been taken.
Finding number:	2023-004
Condition:	Documentation for certain allocated expenses was unavailable or incomplete.
Recommendation:	Management should revise its transaction documentation system to allow for centralized and accessible storage of support for programmatic costs by all appropriate personnel who interact with external auditors, including local funding sources. Management should retain journal entry documentation for all types of journal entries impacting Federal contracts.
Current status:	Corrective action has been taken.
Finding number:	2023-005
Condition:	No process was in place to compare or revise the recorded time allocations when the budgeted time differs from the actual time.
Recommendation:	Management should institute a reconciliation and update process for the manual timecards. In addition, management should determine whether its electronic timekeeping systems can be reconfigured to allow employees to update their allocations as needed each pay period.
Current Status:	This program was not audited for 2024.
Finding number:	2023-006
Condition:	JVS could not locate three of the 25 eligibility selections made for its WIOA program cluster. All other programs with eligibility requirements were able to locate all necessary documentation.
Recommendation:	Management should revise its transaction documentation system to allow for centralized and accessible storage of support for programmatic costs by all appropriate personnel who interact with external auditors, including local funding sources. Management should retain journal entry documentation for all types of journal entries impacting Federal contracts.
Current status:	This program was not audited for 2024.